

**DRAFT Informal Meeting Notes of the  
RETI Stakeholder Steering Committee Meeting  
January 22, 2008 at the CEC**

These notes were compiled by Rachel McMahon of CEERT and Dave Olsen. They are intended to complement minutes of the meeting which will be approved by the SSC at its next meeting.

**DOE Solar PEIS:** Report by Tex Wilkins (on phone). DOE and BLM are jointly leading an effort to evaluate transmission corridors on public lands in seven western states (AZ, CA, CO, NM, NV, OR and UT). Argonne National Lab is expected to do the work. It will look at existing transmission, to see how much is needed for new solar development. It will be coordinated with the BLM geothermal corridor PEIS. Schedule: preliminary PEIS in month 9 of the project (approximately Dec. 2008); draft PEIS issued for public review in month 15; final PEIS released to the public month 22.

**DOE Westwide Energy Corridor PEIS.** Robert Jenkins of PG&E reported that this effort does not include corridors that may be needed to support renewable energy within the state; there are very few identified for California. The project's draft report states that it will maintain existing processes for permitting, and contains proposed corridors. There will need to be flexibility to amend the results in the future, including transmission proposed by RETI. Statute provides for an amendment process, but it has not yet been established. Comments on the PEIS are due March 14.

**Use of Military Lands for Renewable Energy Development.** Tony Parisi gave a presentation on the potential for renewable development in the state on military lands. 50-year leases are available, by competitive bid. The website where generators can sign up to be notified will be posted on the RETI website. DOD is a significant consumer of renewable energy. The largest PV array in the U.S. was just installed at Nellis AFB near Vegas. The Air Force and Army are actively pursuing renewable energy projects throughout California and near its borders. Mr. Parisi presented an airspace map, and advised developers to talk to the military about flight zones, as these are not necessarily no-build zones. He advised developers not to cross these areas out, especially for transmission lines. Potential radar interference is a separate but related issue to be worked through at specific sites.

**Criteria for Selection of SSC Members.** On behalf of the workgroup formed at the last meeting, Gary Allen of SCE presented recommendations for SSC membership criteria. These include: commitment to work collaboratively, willingness to help lead the RETI initiative, representation of key interests, substantive knowledge, and overall size criteria – committee should be limited to approximately 30 members. The proposed membership criteria will be circulated to all SSC members and posted on the RETI website; they will be placed on the agenda for adoption at the next meeting.

In response to requests that other solar technologies be added to the steering committee, Rainer Aringhoff, the current SSC solar rep, and Joshua Bar-Lev, alternate solar rep, will work to represent all solar technologies and companies for now. The industry will continue to evaluate how well this representation works. Carl Zichella was tasked at the last meeting with reaching out to the tribes. After he does so, he will be in position to recommend whether tribes should be represented on the SSC, and if so, how.

Joshua Bar-Lev commented that FERC should be added to the RETI. At the request of the Coordinating Committee, Dave Olsen talked with FERC Commissioner Wellinghoff about this. Mr. Wellinghoff's concern is that having the Commission participate on the committee or in RETI would put it in a conflict position given its authority for cost recovery over facilities that might be developed as a result of RETI work. He thought that it would not be well advised. Instead, he advised that Mary Beth Tighe, one of his advisors, or Ray Palmer, head of the Energy Innovations sector at FERC, should be the point people for RETI at FERC.

There was a discussion of public participation, and concern was expressed that RETI will be viewed as a black box, though it was clarified that RETI is an advisory process and not a decision-making process. It was suggested that the PSG should meet more frequently than once per quarter; the CPUC had proposed having another plenary meeting in March when Phase 1 of Black and Veatch's work is done. There was agreement that more materials should be posted on the RETI website, including draft SSC meeting minutes that have not yet been approved.

**Phase 1A work; Black & Veatch contract.** There was discussion over technology-specific cost assessments, carried over from the Plenary session, and why they are needed, especially given the many detailed studies completed by NREL and others. Robert Jenkins observed that utilities have signed many contracts for power projects that have no transmission; RETI should make transmission to those a priority. Steven Kelly of IEP pointed out that the CEC does cost estimations and can never get them right because technologies and market conditions change so rapidly; he suggested that RETI use the RPS Least-Cost/Best-Fit approach instead of the proposed B&V supply-curve analysis. Joshua Bar-Lev said it's impossible to cost out technologies accurately at one moment in time. He suggested that the IOU Project Review Groups and the ISO LGIP reform process provided more reliable data for establishing CREZ determinations. Nancy Rader (SSC wind generator alternate for Dariush Shirmohammadi who could not attend) offered that RETI will never get consensus on CREZ, because generators are competitive and won't be able to agree on defining CREZ in ways that might advantage competing projects. Instead, she recommended that ISO clustering serve as the basis for CREZ. This would anchor CREZ in real studies of commercial projects using real cost estimates and as such, would be more defensible than the theoretical approach proposed by B&V.

In response, Ryan Pletka of B&V said that approach can't support the comparison of, e.g., British Columbia wind to Nevada geothermal to California solar. Anne

Gillette of the CPUC said that even within the state, the agency has no way to compare the transmission access that SDG&E's proposed Sunrise Powerlink might provide for renewables to that of PG&E's proposed BC-CA transmission project or to SCE's proposed transmission upgrades in Southern California. The CPUC can't tell what projects, technologies and resources are developable. It is looking to the RETI process to provide consistent assumptions and better data, vetted by stakeholders statewide. Traci Bone of the CPUC said that the cost estimates and resulting supply curves may be inaccurate, but because they would all be equally inaccurate, this will give the CPUC a defensible basis for its transmission decisions. She also pointed out that environmental criteria had not been incorporated into past studies.

Gary Allen sensed SSC agreement that RETI should rank resources by development attractiveness, and said he believed this is what the B&V study was intended to do. Mo Beshir agreed that it would be valuable for RETI to compare technologies and resource areas. He observed that it would be much faster to base such an evaluation on market signals (PPAs signed, queue positions, etc.), vs. starting with a blank page as in the B&V study. He proposed a compromise approach: evaluate and compare projects and resource potential in (e.g.,) a 20-mile radius of proposed projects now in the ISO or POU queues.

Manny Robledo pointed out significant differences between IOU and POU approaches to project evaluation and meeting RPS needs. POUs prefer owning generation. Even when they sign PPAs, they are certain the generation will be built and placed into service. The current RETI approach, and B&V study is likely to serve the interests of the IOUs more than POUs. If RETI anticipates adoption of LMP (pursuant to ISO MRTU), RETI evaluations will have to include the effect of each proposed transmission line on the market.

**RETI and the CAISO Queue:** Dennis Peters, ISO Lead Interconnection Services Engineer, made a presentation on its queue reform effort, called the Generation Interconnection Process Reform initiative. The ISO is looking to RETI to help provide proof of project viability, for projects in its cluster studies. It also thinks RETI can help accelerate the process of moving from final ISO studies to actual approvals to build new transmission.

**Glossary:** Johanna Wald of NRDC observed the need for a glossary of terms and acronyms used by RETI participants. She will propose an initial list.

**RETI Timeline:** Joshua Bar-Lev proposed that the SSC develop a milestone schedule of RETI work, which would also clarify its intended outcomes and flowchart its interactions with other development and approval processes. There was general agreement that such a project-management approach to RETI would be helpful, and a workgroup was formed to develop a timeline and flow-chart for RETI outputs. Members include: Joshua Bar-Lev, Gary Allen, Robert Jenkins and Anne Gillette. Anne will develop an initial draft of the schedule and circulate it to the others.

**Phase 1A Workgroup:** A workgroup was formed to provide input and comment to Black & Veatch on study assumptions and methodologies. Members are: John McCaull, Joe Bertotti, Linda Brown, Clare Laufenberg Gallardo, Anne Gillette, Gary Allen, and Mike DeAngelis.

**New regular meeting schedule:** Beginning in March, SSC meetings will now be on the third Wednesday of each month. The next dates after the February meeting are thus March 19 (in Sacramento) and April 16 (in San Francisco).

The **next meeting** of the RETI Steering Committee will be **February 27<sup>th</sup>**, 10:00 AM-3:00 PM, at the CPUC in San Francisco, and by videoconference at the CPUC Los Angeles office.

The meeting was adjourned at 4:50 PM.

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